

EXHIBIT B

AFFIDAVIT OF LANCE GILMAN

STATE OF NEVADA)
 STOREY) ss:
COUNTY OF ~~CLARK~~)

LANCE GILMAN, being first duly sworn, deposes and says:

1. I am the Proposed Defendant-Intervenor in the action, entitled, Rebekah Charleston v. State of Nevada; Steve Sisolak, in his capacity as Governor of the State of Nevada, and the Legislature of the State of Nevada, in the United States District Court, District of Nevada, Case Number: 3:19-cv-00107-MMD-WGC. I am also the primary owner of the Proposed Defendant-Intervenor, CASH PROCESSING SERVICES, INC., which is a Nevada Corporation doing business as the WORLD FAMOUS MUSTANG RANCH (hereinafter the "Mustang Ranch"). I am executing this Affidavit in support of the "Motion to Intervene as Defendants." I have personal knowledge of all matters set forth herein except for those stated upon information and belief and am competent to testify thereon.

2. I have read the contents of the foregoing Motion and the facts contained therein are true as written to the best of my knowledge as though set forth in full in this Affidavit.

3. The Mustang Ranch is a legal brothel in Storey County, Nevada.

4. I was a principal in and the Director of Marketing for the Tahoe Reno Industrial Center (hereinafter "TRI").

5. My company, Lance Gilman Commercial Real Estate Services was and has been since the inception of TRI, the exclusive broker for this industrial park.

6. TRI is a massive 80,000 acre park that encompasses a 30,000 acre industrial complex approximately nine miles east of Reno, Nevada in Storey County, Nevada, and is the largest industrial park of its kind in the United States.

7. TRI presently has millions of Square Feet of Industrial space in use by over 160 different companies, with thousands of permanent and temporary jobs created in the coming years.

8. I have been instrumental in attracting to TRI, such nationally recognized firms as Tesla/Panasonic, SWITCH, Google, Blockchain, eBay, Wal-Mart, Tire Rack, Jet.com, PetSmart, and US Ordinance, to name a few.

1 ^{Ly} 9. TRI has provided thousands of jobs for Northern Nevada and it is anticipated that it will
2 generate ³⁰ 10,000 or more jobs for Northern Nevada and hundreds of millions of dollars in payroll
3 annually at full build out.

4 10. I first arrived in Reno, Nevada in 1985, and became a principal in and exclusive broker
5 for the 2,500 acre Double Diamond Ranch now known as the South Meadows Business Park, which
6 is located in southern portion of Reno, Nevada. The South Meadows Business Park is an integrated
7 single-family and multi-family residential, industrial, distribution and retail development, and
8 through my efforts, the South Meadows Business Park landed the government arms contractor,
9 Lockheed Martin as the anchor tenant.

10 11. Before the South Meadows Business Park, I started my professional career in San Diego,
11 California, operating the San Diego Boatmart. I was Chairman of the prestigious San Diego Boat
12 Show and a member of the National Speaker Circuit for the Boat Show Educational Series. I later
13 worked as an agent for Grubb and Ellis, a major real estate brokerage in San Diego, California,
14 where I managed major accounts, including the development of the Murphy Canyon Business Park,
15 and assisted in the development of major shopping centers in San Diego County.

16 12. In 1998, I opened the first Harley Davidson motorcycle showroom and maintenance
17 facility in Carson City, Nevada.

18 13. I have received a number of awards such as the Reno Small Business Entrepreneur of
19 the year in 2009, Reno Man of the Year in 2000 and the Development Award for Environmental
20 Excellence in Development in 1997. In or around 2015, Governor Brian Sandoval personally
21 presented my two TRI partners and I, the EDAWN President's Award for completing what the
22 Governor called the "The Deal of the Century" in landing and closing the Tesla deal.

23 14. In the early 2000s, the leaders of Storey County needed to take fast action to bolster
24 critically lacking tax revenues for the County, which was cash poor at the time. These leaders
25 approached me and requested that I open a brothel, which could immediately generate greatly needed
26 tax revenues for the County until TRI could begin bringing in more companies and subsequently
27 growing the tax base.

28 15. As a result of these requests, I built and opened up on my property, the Wild Horse

1 brothel, a multimillion dollar facility, which eventually became the Wild Horse Adult Resort and
2 Spa.

3 16. In or around 2003, to further bolster lagging tax revenues for Storey County, I purchased
4 the Mustang Ranch brothel buildings and trademark on Ebay from the Federal Government for
5 \$145,100. Because of its historic value, I spent millions in moving the buildings to a location
6 adjacent to the Wild Horse, and in upgrading the facility. This move included contracting a large
7 heavy lift cargo helicopter to airlift a part of one of the Mustang Ranch's structures. In or around
8 2012, the Mustang Ranch expanded into the Wild Horse brothel building and today operates
9 primarily out of that property.

10 17. The Mustang Ranch today sits in a short canyon outside of TRI and is surrounded by tall
11 iron gates, a berm, and hundreds of trees and shrubs. It is a multifaceted operation, with an award
12 winning steakhouse, gift shop with trademarked Mustang Ranch products, along with the traditional
13 Mustang Ranch entertainment. There are vaulted ceilings, a stone fireplace, hundreds of thousands
14 of dollars' worth of furnishings, decor, equipment, and artwork. It is a thriving business that
15 contributes significantly to Storey County revenues through taxes, fees and assessments.

16 18. Because of the Mustang Ranch's close proximity to TRI, because of my involvement in
17 TRI, and because I highly value my reputation, I have taken great measures to operate a first class
18 and extremely safe establishment that protects its employees and customers through thorough
19 modern medical testing, extensive background checks of its employees, extensive cutting edge
20 security on the premises, and adherence to strict policies and procedures, including but not limited
21 to, obtaining proper medical clearances for the Mustang's brothel ^{It's} employees.

22 19. In addition, the facilities incorporate many modern design and operational features to
23 ensure a high-quality, professional business operation that provides a safe environment for its
24 employees and customers.

25 20. The Mustang Ranch is also a great corporate citizen and annually donates tens of
26 thousands of dollars in weekly food donations and staff time, to provide for the needy school
27 children and elderly in Storey County.

28 21. I have invested Tens of Millions of dollars into the Mustang Ranch. The business and

1 facilities of the Mustang Ranch are worth Tens of Millions of dollars. In addition, the Mustang
2 Ranch is a registered trademark and has significant value.


3 22. The Plaintiff is seeking to have the Court declare that Nevada's statutes allowing for
4 legalized prostitution are unconstitutional, and null and void as preempted by Federal law and she
5 is further seeking to have the Court enjoin Nevada and all of its political subdivisions from
6 implementing, enforcing, or putting into force and effect Nevada's laws on prostitution.

7 23. Should the Plaintiff succeed, it would result in the complete shut down of the Mustang
8 Ranch. The Mustang Ranch and I would completely lose our business. We would lose our business
9 as a going concern, lose Tens of Millions of dollars invested in our business, lose the value of our
10 business, lose the profits generated by our business, and lose the usefulness of our valuable
11 trademark, the Mustang Ranch.

12 FURTHER YOUR AFFIANT SAYETH NAUGHT.

13
14 
15 LANCE GILMAN

16
17 SUBSCRIBED AND SWORN to before me
18 on this 11 day of March, 2019.

19  NICOLE MERWIN
20 Notary Public-State of Nevada
21 APPOINTED 10-06-2016
22 NOTARY PUBLIC in and for said
23 County and State
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